

1-1 By: Otto (Senate Sponsor - Estes) H.B. No. 315
 1-2 (In the Senate - Received from the House May 13, 2013;
 1-3 May 13, 2013, read first time and referred to Committee on Finance;
 1-4 May 20, 2013, reported favorably by the following vote: Yeas 14,
 1-5 Nays 0; May 20, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20			X	
1-21	X			
1-22	X			

1-23 A BILL TO BE ENTITLED
 1-24 AN ACT

1-25 relating to the applicability of the law governing the ad valorem
 1-26 taxation of a dealer's motor vehicle inventory.

1-27 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-28 SECTION 1. Section 23.121(a)(3), Tax Code, is amended to
 1-29 read as follows:

1-30 (3) "Dealer" means a person who holds a dealer's
 1-31 general distinguishing number issued by the Texas Department of
 1-32 Motor Vehicles under the authority of Chapter 503, Transportation
 1-33 Code, or who is legally recognized as a motor vehicle dealer
 1-34 pursuant to the law of another state and who complies with the terms
 1-35 of Section 152.063(f). The term does not include:

1-36 (A) a person who holds a manufacturer's license
 1-37 issued under Chapter 2301, Occupations Code;

1-38 (B) an entity that is owned or controlled by a
 1-39 person who holds a manufacturer's license issued under Chapter
 1-40 2301, Occupations Code; ~~or~~

1-41 (C) a dealer whose general distinguishing number
 1-42 issued by the Texas Department of Motor Vehicles under the
 1-43 authority of Chapter 503, Transportation Code, prohibits the dealer
 1-44 from selling a vehicle to any person except a dealer; or

1-45 (D) a dealer who:

1-46 (i) does not sell motor vehicles described
 1-47 by Section 152.001(3)(A);

1-48 (ii) meets either of the following
 1-49 requirements:

1-50 (a) the total annual sales from the
 1-51 dealer's motor vehicle inventory, less sales to dealers, fleet
 1-52 transactions, and subsequent sales, for the 12-month period
 1-53 corresponding to the preceding tax year are 25 percent or less of
 1-54 the dealer's total revenue from all sources during that period; or

1-55 (b) the dealer did not sell a motor
 1-56 vehicle to a person other than another dealer during the 12-month
 1-57 period corresponding to the preceding tax year and the dealer
 1-58 estimates that the dealer's total annual sales from the dealer's
 1-59 motor vehicle inventory, less sales to dealers, fleet transactions,
 1-60 and subsequent sales, for the 12-month period corresponding to the
 1-61 current tax year will be 25 percent or less of the dealer's total

2-1 revenue from all sources during that period;
2-2 (iii) not later than August 31 of the
2-3 preceding tax year, filed with the chief appraiser a declaration on
2-4 a form prescribed by the comptroller stating that the dealer
2-5 elected not to be treated as a dealer under this section in the
2-6 current tax year; and
2-7 (iv) renders the dealer's motor vehicle
2-8 inventory in the current tax year by filing a rendition with the
2-9 chief appraiser in the manner provided by Chapter 22.

2-10 SECTION 2. This Act applies only to the ad valorem taxation
2-11 of a dealer's motor vehicle inventory for a tax year beginning on or
2-12 after the effective date of this Act.

2-13 SECTION 3. This Act takes effect January 1, 2014.

2-14 * * * * *